

ABSTRACT

Methods of demand and order-based inventory management of a customer facility in a vendor managed inventory environment. The methods include receiving and entering a customer purchase order for a product. The order is scheduled and materials are requesting to complete the order. Next, the product is manufactured and shipped to the customer facility. Customer inventory levels are monitored by a vendor to determine if the customer inventory is below a threshold value. If the customer inventory is below the threshold value, a request is sent by the vendor to the customer facility for the issuance of a customer purchase order for additional units of the product to maintain the customer inventory above the threshold level.